

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
INR 79.3 Bn Total Volume	▲	▲
60.8% Foreign Investor's Share	▲	—
53% Share of Office Segment	▲	▲
80% Share of Equity Investments	▲	▲

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
6.7% GDP Growth	▼	▲
3.65% CPI Inflation	▲	▲
6.8% Country 10-Yr Treasury Yield	▼	▼

Source: BLS

ECONOMIC OVERVIEW: OUTLOOK ON GDP GROWTH STAYS POSITIVE

India's real GDP growth for June quarter stood at 6.7% y-o-y, largely driven by the construction and manufacturing sectors that rose by 10.5% and 7.0% y-o-y, respectively. Both, consumption and investments (gross fixed capital formation) contributed equally to the growth of the economy. High frequency indicators such as the monthly GST collections as well as PMI surveys (manufacturing and services) continue to exhibit an underlying strength. We expect the economy to receive some positive boost going forward as the recent monetary policy statement by the central bank potentially indicates at the beginning of rate-cutting cycle to begin from the next policy meet in December.

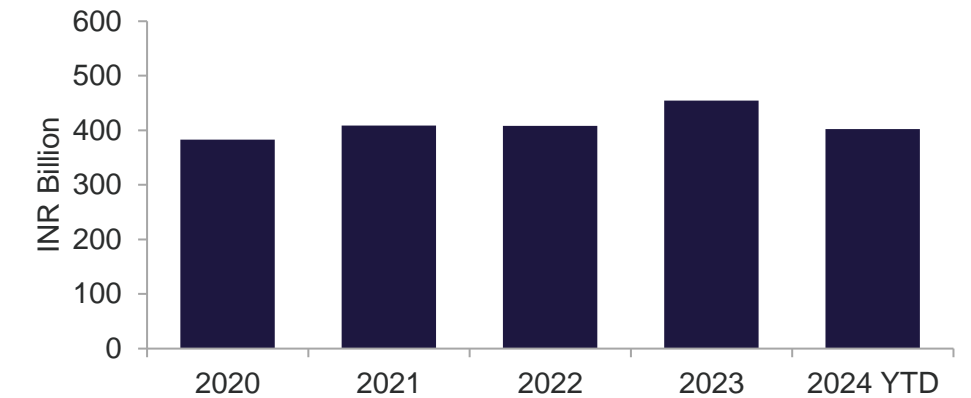
INVESTMENT OVERVIEW: YTD-24 PE ACTIVITY AT 90% OF 2023 LEVEL

Q3 2024 recorded investment flows of INR 79.3 Bn (USD 0.95 Bn), which is 65% down from last quarter. The Q2-24 investment volume was large owing to one large deal in the industrial space. However, on a y-o-y basis PE inflows rose by 69%. Office sector dominated in Q3 with 53% share, followed by Industrial sector with 30% and Residential sector with 16% shares. Foreign investors continued to dominate in Q3 with ~61% share of total investment, and most of their focus was on office sector (80%). The domestic investments were spread between residential and industrial sectors. Equity investments dominated Q3 with 80% share in total inflows. In terms of cities, Chennai witnessed highest number of quarterly investment with 54% share, followed by Mumbai (16%) and Delhi NCR (15%). YTD 2024 saw investment inflows of INR 402 Bn (USD 4.8 Bn), a 32% rise y-o-y, thereby reaching ~90% of volume recorded in full year 2023. Industrial (39%) and office (35%) sectors were dominant during YTD-24.

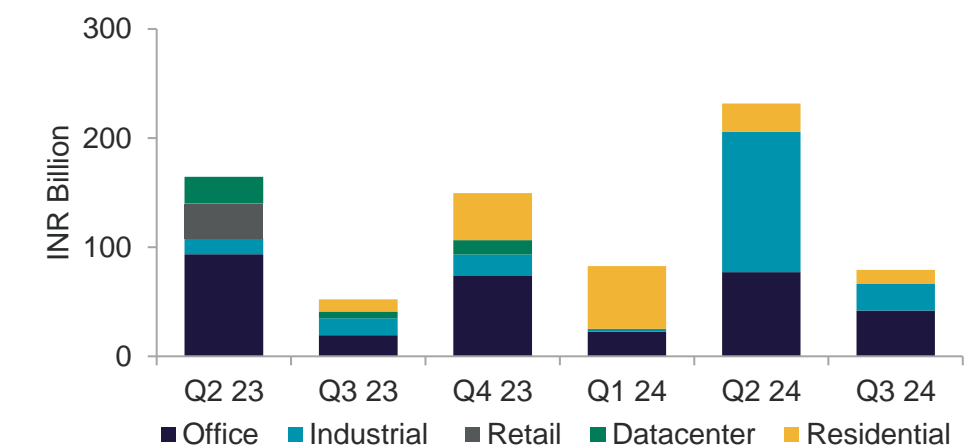
FUND-RAISING: STABLE FUNDRAISING RECORDED; OUTLOOK POSITIVE

The third quarter recorded total fundraising of USD389 Mn, 63% greater than the last quarter. Majority of funds raised this quarter was by one major office REIT, primarily to repay its debt obligations. Overall, total funds raised in the first nine months of 2024 amounted to USD 1.9 Bn. Furthermore, Oberoi realty has approved to raise USD 716 Mn soon.

INVESTMENT SALES VOLUME

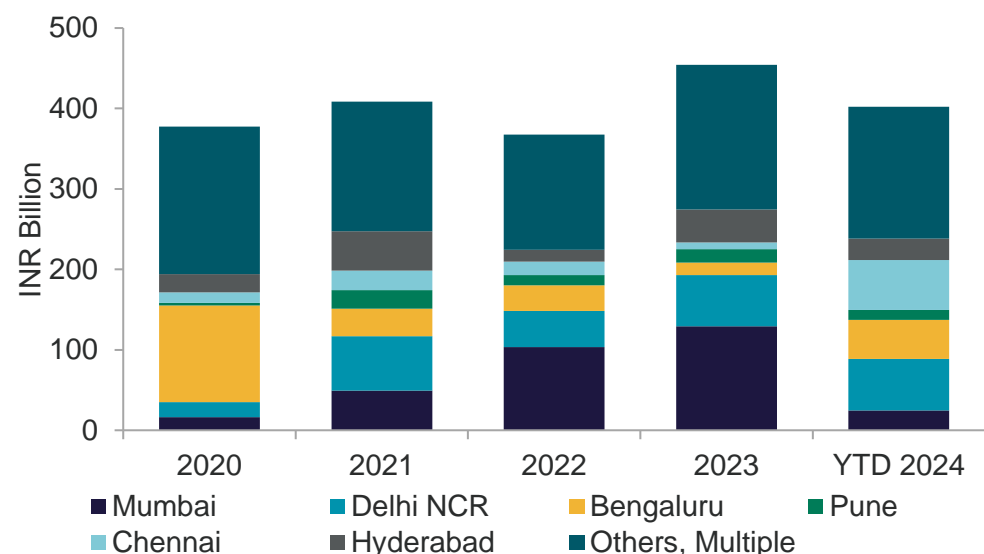


INVESTMENT SALES VOLUME BY SECTOR

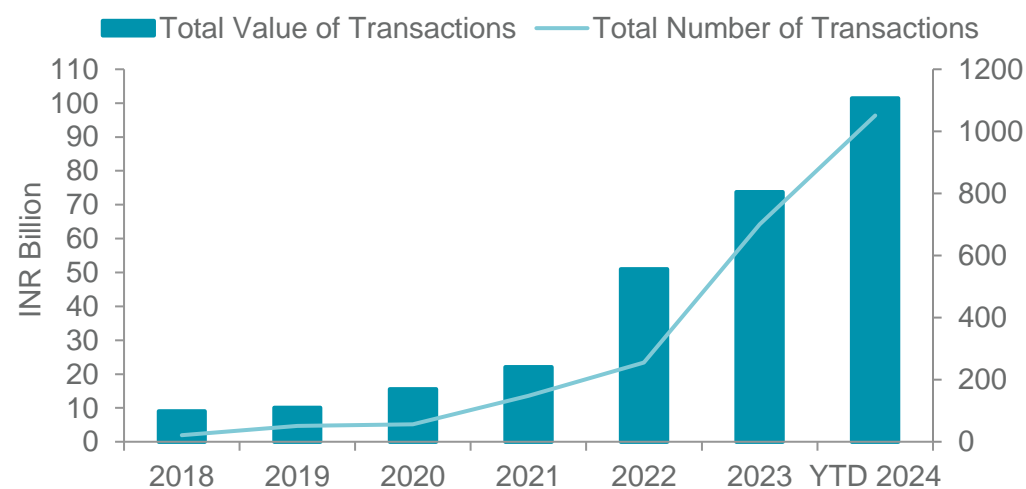


Source: (added 3rd party data source if used)

INVESTMENT VOLUME BY CITY



CORPORATE TRANSACTIONS



INVIT & REITS

Blackstone sold a part of its stake in Nexus REIT for USD 505 Bn as part of its strategy to monetize its real estate portfolio. This comes after it sold its entire stake in Embassy REIT last year. After Property Share received its approval from SEBI becoming the first SM-REIT, Rudraprakash Enterprises has also received approval from SEBI to register as SM-REIT.

CORPORATE TRANSACTIONS

Q3 2024 recorded corporate transaction volumes of INR 50.51 Bn (USD 604 Bn), a 33% jump q-o-q and a 3.5X jump on y-o-y basis. Mumbai continued to drive transaction value with 44% share in total, followed by Pune (27%) and Hyderabad (18%). YTD 2024 recorded corporate transactions of INR 101bn (USD 1.2 Bn), a 1.5X rise from last year.

OUTLOOK

- For 2024-25, the Reserve Bank of India (RBI) projects India's real GDP growth at 7.2 per cent, with risks evenly balanced. This growth outlook reflects the underlying strength of India's macro-fundamentals, with domestic drivers - private consumption and investment - playing a major role.
- While a mild slowdown in PE inflows was observed during the third quarter of the year, the outlook for India RE sector remains positive with steady office activity, increasing high end luxury segment sales in residential and strong L&I activity growth.

Source: (added 3rd party data source if used)

KEY INVESTMENT ACTIVITY

PROPERTY TYPE	INVESTOR	INVESTEES	CITY	INVESTMENT (INR Billion)
Office	Keppel land	One Paramount-Chennai	Chennai	22
Office	IFC	Ramanujan Intellion Park	Chennai	8.28
Residential	Kotak	Supertech's stalled project in Noida	Noida	7.61
Industrial	Blackstone & Hiranandani Group (JV)	211-acre land acquisition	Chennai	7.03

SIGNIFICANT CORPORATE TRANSACTIONS

BUYER	Buyer's Sector	INVESTMENT (INR Million)	TYPE	CITY
OE Business Park Private Limited	Real Estate	4112	Office	Pune
ClearBridge	BFSI	3550	Office	Mumbai
ICICI Prudential AMC	BFSI	3150	Office	Mumbai

PLATFORMS FORMED

INVESTORS	TYPE	Investment (USD Million)
Arka Hreem Real Estate Opportunities Fund	Residential	59.7
360 One	Mixed	120

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